SUSTAINABILITY ACCOUNTING STANDARDS BOARD

SASB is an independent, private sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. The table below cross-references the SASB accounting metrics with where that information can be found in the FY19 NIKE, Inc. Impact Report (FY19 NIR) and Nike’s Purpose Website.

### SASB STANDARD – APPAREL, ACCESSORIES AND FOOTWEAR

<table>
<thead>
<tr>
<th>Topic</th>
<th>Accounting Metric</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data Response</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGEMENT OF CHEMICALS IN PRODUCTS</td>
<td>Discussion of processes to maintain compliance with restricted substances regulations</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-AA-250a.1</td>
<td>• FY19 NIR: Chemistry (Measure: 100% Compliance with NIKE RSL) page 57</td>
<td>• Approach to Chemistry</td>
</tr>
<tr>
<td></td>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-AA-250a.2</td>
<td>• FY19 NIR: Chemistry (Target: Enable Zero Discharge of Hazardous Chemicals) page 56</td>
<td>• Approach to Chemistry</td>
</tr>
<tr>
<td>ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN</td>
<td>Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement</td>
<td>Quantitative Percentage (%)</td>
<td>CG-AA-430a.1</td>
<td>In FY19, 98% of focus suppliers met legal compliance, 51% met NIKE’s Wastewater Quality requirements and approximately 79% reported compliance to the new ZDHC wastewater requirements.</td>
<td>• FY19 NIR: Chemistry (Measure: 100% of focus suppliers meetings NIKE’s wastewater quality requirements for textile dyeing and finishing processes) page 59</td>
<td>• Approach to Chemistry</td>
</tr>
<tr>
<td></td>
<td>Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment</td>
<td>Quantitative Percentage (%)</td>
<td>CG-AA-430a.2</td>
<td>100% of Tier 1 suppliers are audited to our Code of Conduct, which includes environmental compliance. Our focus finished goods suppliers also report on a monthly basis their performance against NIKE Sustainability targets. Suppliers beyond Tier 1, producing approximately 80% of our materials, have completed the 2018 Higg FEM assessment. Our focus material suppliers also report on a monthly basis their performance against NIKE Sustainability targets. We disclose a number of strategic materials suppliers (Tier 2) on our Manufacturing Map along with finished goods factories.</td>
<td>• FY19 NIR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) page 27</td>
<td>• NIKE’s Sourcing and Manufacturing Standards</td>
</tr>
<tr>
<td>LABOR CONDITIONS IN THE SUPPLY CHAIN</td>
<td>Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor</td>
<td>Quantitative Percentage (%)</td>
<td>CG-AA-430b.1</td>
<td>100% of Tier 1 suppliers audited to NIKE Code of Conduct • 8.4% of factories were independently audited by third-party auditors (FLA and Better Work) We disclose a number of strategic material suppliers (Tier 2) on our Manufacturing Map along with finished goods factories.</td>
<td>• FY19 NIR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) page 27</td>
<td>• NIKE’s Sourcing and Manufacturing Standards</td>
</tr>
<tr>
<td></td>
<td>Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits</td>
<td>Quantitative Rate</td>
<td>CG-AA-430b.2</td>
<td>In FY19, 7% of factories were rated below Bronze (baseline compliance with NIKE Code of Conduct). When facilities receive a below-compliance rating, they are expected to remediate the issue with onsite verification of the remediation within six months. In all instances, full re-audits are conducted to verify corrective actions have been completed.</td>
<td>• FY19 NIR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) page 27</td>
<td>• NIKE’s Sourcing and Manufacturing Standards</td>
</tr>
<tr>
<td></td>
<td>Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-AA-430b.3</td>
<td>• FY19 NIR: • Employees (Target: Attract and develop an increasingly diverse, engaged and healthy workforce) page 11 • Occupational Health and Safety page 22 • Transform Manufacturing page 25 • Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) page 27 • Minimize Environmental Footprint page 34 • Issue Prioritization page 65 • NIKE’s Sourcing and Manufacturing Standards • Protecting the Environment • Making Product Responsible</td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Accounting Metric</td>
<td>Category</td>
<td>Unit of Measure</td>
<td>Code</td>
<td>Data Response</td>
<td>Reference</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------</td>
<td>----------</td>
<td>----------------</td>
<td>------</td>
<td>---------------</td>
<td>-----------</td>
</tr>
</tbody>
</table>
| RAW MATERIALS SOURCING | Description of environmental and social risks associated with sourcing priority raw materials | Discussion and Analysis | N/A | CG-AA-440a.1 | FY19 NIR:  
  - Materials (Target: Increase use of more sustainable materials in footwear and apparel) page 39  
  - Product (Target: Deliver products for maximum performance with minimum impact, with a 10% reduction in the average environmental footprint) page 36 | Sustainable Materials  
  Sustainable Materials Approach  
  Chemistry Playbook |
| | Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard | Quantitative | Percentage (%) by weight | CG-AA-440a.2 | Materials (FY19)  
  Rubber  
  94% environmentally preferred  
  Cotton  
  • 8% certified organic  
  • 76% Better Cotton Initiative  
  • 1% recycled  
  Polyester  
  20% recycled  
  Corrugate/Paper  
  84% recycled  
  EVA Foam  
  <1% recycled | FY19 NIR:  
  - Materials (Target: Increase use of more sustainable materials in footwear and apparel) page 39  
  - Product (Target: Deliver products for maximum performance with minimum impact, with a 10% reduction in the average environmental footprint) page 36 | Sustainable Materials  
  Sustainable Materials Approach |
| N/A | Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1 | Quantitative | Number | CG-AA-000.A | 523 finished factories  
  70 materials facilities | Manufacturing Map |

To learn more, please see our FY19 NIKE, Inc. Impact Report at [https://purpose.nike.com/](https://purpose.nike.com/)